

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 92-299-C - ORDER NO. 92-914  
OCTOBER 21, 1992

IN RE:	Application of Sun Belt Line, Inc. dba	)	
	TelMatch Telecommunications for a	)	ORDER
	Certificate of Public Convenience and	)	GRANTING
	Necessity to Provide Intrastate Resold	)	CERTIFICATE
	Telecommunications in the State of South	)	
	Carolina.	)	

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of the Application of Sun Belt Line, Inc. d/b/a TelMatch Telecommunications (Sun Belt Line or the Company) requesting a Certificate of Public Convenience and Necessity authorizing it to operate as a reseller of intrastate interLATA long distance services in the State of South Carolina. Sun Belt Line's Application was filed pursuant to S.C. Code Ann. §58-9-280 (1976) and the Regulations of the Public Service Commission of South Carolina.

The Commission's Executive Director instructed Sun Belt Line to publish a prepared Notice of Filing in newspapers of general circulation in the affected areas one time. The purpose of the Notice of Filing was to inform interested parties of Sun Belt Line's Application and the manner and time in which to file the appropriate pleadings for participation in the proceeding. Sun Belt Line complied with this instruction and provided the

Commission with proof of publication of the Notice of Filing. Petitions to Intervene were filed by Southern Bell Telephone & Telegraph Company (Southern Bell) and the South Carolina Department of Consumer Affairs (the Consumer Advocate).

A hearing was commenced on September 29, 1992, at 11:00 a.m. in the Commission's Hearing Room. The Honorable Henry G. Yonce, Chairman, presided. Bert Belk, President of Sun Belt Line, Inc., appeared on behalf of TelMatch. Caroline N. Watson, Esquire, represented Southern Bell; Carl F. McIntosh, Esquire, represented the Consumer Advocate; and Gayle B. Nichols, Staff Counsel, represented the Commission Staff.

Based on the testimony presented, the Application, the exhibits of record, and the applicable law, the Commission makes the following findings of fact and conclusions of law.

#### FINDINGS OF FACT

1. Sun Belt Line, Inc. is a privately-held corporation incorporated in the State of South Carolina. Sun Belt Line has been in the transportation business since 1981, primarily as a transportation brokerage service. Sun Belt Line has two subsidiary companies involved in telecommunications: ASR Communications, Inc. and TelMatch Telecommunications. ASR Communications is in the business of designing, selling, installing, and servicing computers, telemarketing software, networks, voice, and data communications equipment for businesses. Under its TelMatch subsidiary Sun Belt Line seeks a Certificate of Public Convenience and Necessity to operate as a reseller of intrastate interexchange

services on an interLATA basis within the State of South Carolina. Application. Sun Belt Line seeks to complete long distance telephone calls over the facilities of licensed interexchange carriers.

2. Sun Belt Line presented the testimony of Bert Belk. Mr. Belk testified that Sun Belt Line's current underlying carrier is ATC Long Distance and that the Company planned to resell services identified as TelMatch Switched Plus 800, TelMatch Dedicated Plus 800, TelMatch Switched Plus, and TelMatch Dedicated Plus. Mr. Belk testified that Sun Belt Line primarily intends to offer its resold telecommunications services to its current business customers. Mr. Belk admitted that Sun Belt Line had completed intrastate long distance calls in South Carolina without having received certification. Mr. Belk stated Sun Belt Line would make refunds of any revenues collected from the completion of intrastate calls if so ordered by the Commission. Mr. Belk testified that Sun Belt Line agreed to comply with all applicable Commission rules, regulations, and orders.

3. At the beginning of the hearing, Southern Bell placed a stipulation between itself and Sun Belt Line in the record. According to the terms of this stipulation, the Company agreed that any grant of authority would be for interLATA services only, all operator services would be only for interLATA calls and "0+" or "0-" intraLATA calls would be handed off to the local exchange company, and that if any intraLATA calls were inadvertently completed, the carrier would reimburse the local exchange company

pursuant to the Commission's Order in Docket No. 86-187-C. Southern Bell agreed that Sun Belt Line should not be prohibited from offering any services authorized for resale by tariffs of facility-based carriers and which have been approved by the Commission.

4. At the conclusion of the hearing, the Consumer Advocate moved that the Commission require Sun Belt Line to refund all money collected from South Carolina subscribers for completion of long distance calls within the State prior to its certification.

#### CONCLUSIONS OF LAW

1. The Commission concludes that Sun Belt Line has the experience, capability, and resources to provide the service described in its Application and by Mr. Belk's testimony.

2. Accordingly, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to Sun Belt Line to provide intrastate, interLATA service through the resale of intrastate Wide Area Telecommunications Services (WATS), Message Telecommunications Services (MTS), Foreign Exchange Service, Private Line Services, or any other services authorized for resale by tariffs of facility-based carriers approved by the Commission. Should Sun Belt Line complete any unauthorized intrastate intraLATA calls then the Company will be required to compensate the local exchange companies for the unauthorized calls it carries pursuant to Commission Order No. 86-793 in Docket No. 86-187-C.

3. All intrastate intraLATA calls must be completed over intraLATA WATS, MTS, private and foreign exchange lines or any

other service of authorized intraLATA facilities based carriers approved for resale on an intraLATA basis. Any intraLATA calls not completed in this manner will be considered unauthorized traffic and the Company will be required to compensate the local exchange companies for the unauthorized calls it carries pursuant to Commission Order No. 86-793 in Docket No. 86-187-C.

4. The Commission adopts a rate design for Sun Belt Line for its resale services which includes only maximum rate levels for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. In Re: Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

5. Sun Belt Line shall not adjust its rates below the approved maximum level without notice to the Commission and to the public. Sun Belt shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. Any proposed increase in the maximum rate level reflected in the tariff which would be applicable to the general body of Sun Belt Line's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C Code Ann. §58-9-540 (Supp. 1991).

6. Sun Belt Line shall file its maximum rate tariff and an accompanying price list in a loose leaf binder to reflect the Commission's findings within thirty (30) days of the date of this

Order.

7. Sun Belt Line is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers should be treated similarly to facilities-based interexchange carriers.

8. With regard to Sun Belt Line's resale of services, an end user should be able to access another interexchange carrier or operator service provider if they so desire.

9. Sun Belt Line shall resell the services of only those interexchange carriers or local exchange carriers authorized to do business in South Carolina by this Commission. If Sun Belt Line changes underlying carriers, it shall notify the Commission in writing.

10. Sun Belt Line shall file surveillance reports on a calendar or fiscal year basis with the Commission as required by Order No. 88-178 in Docket No. 87-483-C. The proper form for these reports is indicated on Attachment A.


11. Sun Belt Line shall refund to its customers any charges collected for intrastate calls completed prior to the date of this Order. These refunds shall be issued within thirty (30) days of the date of this Order and shall include interest at the rate of 12% per annum. The Company shall file with the Commission all necessary information to certify that the refunds required by this Order have been made.

12. Any portions of Southern Bell and Sun Belt Line's stipulation not specifically addressed by this Order are hereby

incorporated into this Order.

13. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)

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OCTOBER 21, 1992  
ATTACHMENT A

ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS  
FOR INTEREXCHANGE COMPANIES AND AOS'S

(1) SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

(2) SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

(3) RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS\* FOR 12  
MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

\* THIS WOULD INCLUDE GROSS PLANT, ACCUMULATED DEPRECIATION,  
MATERIALS AND SUPPLIES, CASH WORKING CAPITAL, CONSTRUCTION  
WORK IN PROGRESS, ACCUMULATED DEFERRED INCOME TAX,  
CONTRIBUTIONS IN AID OF CONSTRUCTION AND CUSTOMER  
DEPOSITS.

(4) PARENT'S CAPITAL STRUCTURE\* AT DECEMBER 31 OR FISCAL YEAR  
ENDING \_\_\_\_\_.

\* THIS WOULD INCLUDE ALL LONG TERM DEBT (NOT THE CURRENT  
PORTION PAYABLE), PREFERRED STOCK AND COMMON EQUITY.

(5) PARENT'S EMBEDDED COST PERCENTAGE (%) FOR LONG TERM DEBT AND  
EMBEDDED COST PERCENTAGE (%) FOR PREFERRED STOCK AT YEAR ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

(6) ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE  
AMOUNT OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS  
WELL AS METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT  
(SEE #3 ABOVE).